

GSAR RULES APPLICABLE TO ACQUISITIONS OF  
LEASEHOLD INTERESTS IN REAL PROPERTY—  
Continued

503	515.204-1	519.12	537.2
504.5	515.209-70	522.8	552
505	515.305	532.1	553
509.4	517.202	532.908	

**570.102 Definitions.**

*Acquisition* means the acquiring by lease of an interest in improved real property for use by the Federal Government, whether the space already exists or must be constructed.

*Contract* means lease.

*Contractor* means lessor.

*Landlord* or *lessor* means any individual, firm, partnership, trust, association, State or local government, or other legal entity that leases real property to the Government.

*Lease* or *leasehold interest in real property* means a conveyance to the Government of the right of exclusive possession of real property for a definite period of time by a landlord. It may include operational services provided by the landlord.

*Lessee* or *tenant* means the United States of America.

*Operational services* means services that support use of a leased property, such as heating, ventilation, air condition, utilities, and custodial services.

*Rent* and *related services* means that consideration paid for the use of leased property plus the costs of operational services whether furnished by the lessor, the Government, or both.

*Simplified lease acquisition procedures* mean the procedures for awarding leases at or below the simplified lease acquisition threshold.

*Simplified lease acquisition threshold* Means \$100,000 average annual rent for the term of the lease, including option periods and excluding the cost of operational services.

*Small business* means a concern including affiliates, which is organized for profit, is independently-owned and operated, is not dominant in the field of leasing commercial real estate, and has annual average gross receipts of \$15 million or less for the preceding three fiscal years.

*Solicitation for Offers (SFO)* means invitation for bids in sealed bidding or request for proposals in negotiations.

*Space in buildings* means the premises leased, or to be leased, including improvements. Its quantity is normally expressed in square feet. It does not include space acquired by the power of eminent domain, donation, or condemnation, nor acquisitions of bare or unimproved land.

*Substantially as follows* or *substantially the same as*, when used in prescribing a provision or clause, means that you may prepare and use a variation of that provision or clause to accommodate requirements peculiar to an individual acquisition. The variation must include the salient features of the FAR or GSAR provision or clause. It must also be consistent with the intent, principle, and substance of the FAR or GSAR provision or clause and related coverage on the subject matter.

**570.103 Authority to lease.**

(a) The Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(h)(1)), as amended, and Section 1 of the Reorganization Plan No. 18 of 1950 (40 U.S.C. 490 Note) authorize the Administrator of General Services to acquire leasehold interests in real property for use by Federal agencies. The authority is limited to leases for buildings and improvement that bind the Government for periods not exceeding 20 years.

(b) You have exclusive authority to enter into and administer leases on the Government's behalf to the extent provided in your certificate of appointment as a contracting officer.

**570.104 Competition.**

Unless you use the simplified procedures in subpart 570.2, the competition requirements of FAR part 6 apply to acquisition of leasehold interests in real property.

**570.105 Methods of contracting.**

**570.105-1 Contracting by negotiation.**

Contracting by negotiation is usually appropriate for acquiring space in a building through a lease contract. You will usually need to conduct discussions with offerors about their proposals and consider factors other than price in making the award.